

EUROCHAMBRES sets out its priorities for the Conference of the Future of Europe

Chambers are ready and willing to contribute to the Conference on the Future of Europe sessions of European Citizens' Panels and the upcoming meetings of the Conference Plenary bringing concrete positions about the kind of Europe our 20 million business members want.

The COVID19 crisis has reinforced the value of a collective European approach towards key issues. As such, the Conference on the Future of Europe comes at an important juncture as we manage the legacy of the pandemic and pursue a swift and sustainable revival. EUROCHAMBRES will continue working to ensure the perspectives of chambers and their business members are an integral part of the Conference's discussions. In this regard, we make the following recommendations to guarantee an inclusive and participatory Conference on the Future of Europe where businesses play a key role.

1. Education, culture, youth and sport

The EU must chart a path for an entrepreneurial, innovative Europe that can be globally competitive and influential. Entrepreneurial participation on a wide and EU level scale must continue beyond the lifetime of the Conference and businesses' perspectives should be considered during the drafting of legislation in all policy fields across all EU institutions. Current educational systems and curricula also need to adapt to strengthen employability amongst the younger generations by promoting vocational education and training (VET), digital education and entrepreneurship subjects. Mobility is also a key topic, as well as the need for a flexible framework and proper coordination between Member States for the recognition and transparency of professional qualifications. Together with this, it is important to raise the number of young people, in VET particularly women with STEM capabilities and digital skills and to foster re-skilling/upskilling of the over 50s workforce.

2. Health

We need a new approach on the future of the Single Market, but also ensure the free movement of goods, persons and services in case future crises arise through a coherent EU health Policy as well as a better coordination between Member States and adequate measures. Documented shortages in recent months have included critical supplies such as medications used to treat COVID-19 itself, medications used in intensive care and for related conditions. EUROCHAMBRES welcomes the planned Single Market Emergency Instrument which includes the reinforcement of governance tools, targeted transparency measures and tailored digital solutions. The introduction of the Covid EU certificate was the right decision at the right time. However, temporary and seamless travel measures within EU borders should be reinstated as soon as the sanitary situation allows it again. EU funding programmes should support more strongly the development and commercialisation of research results by companies in the health sector. In this way, businesses contribute to the European Health Union. Furthermore, the pandemic has

demonstrated the need for international co-operation and measures that will prevent the disruption of the supply chain with all the adverse consequences in terms of raw materials supply and rising prices.

3. A stronger economy, social justice and jobs

The COVID-19 pandemic impacted the economic activities of every European country, and its long-lasting effects will continue to influence the business community in the years to come. **The 2022 EUROCHAMBRES Economic Survey launched on 09 November 2021, based on responses from nearly 52.000 businesses (90% SMEs) across Europe, shows that optimism and confidence are rising amongst entrepreneurs.** This momentum remains fragile though, with affordable access to energy and raw materials, as well as the lack of skilled workers and rising labour costs highlighted in the survey as major concerns among businesses for the next year. Financing and investment are critical elements in the twin transition. SMEs must therefore be at the core of national Recovery and Resilience Plans.

We also need to develop the **European capital markets ecosystem** to promote and diversify small and innovative companies' access to finance beyond bank lending. A greater focus on financial instruments such as quasi-equity, hybrid schemes and convertible loans is crucial, in addition to the role that business angels and institutional investors can play. The Single Market provides the foundation on which the EU's economic competitiveness can and must be built. But although the European Union has a certain number of tools ensuring its working well the EU Single market weaknesses have to be acknowledged in several areas (e.g. red tape). EUROCHAMBRES supports the establishment of the SMET, designed to allow Member States to work on solutions to remove single market barriers.

The challenges facing the labour market are not new. **Increasing labour shortages require education and training programmes to align with evolving business needs and the twin green/digital transition.** On a short term, we require simplified procedures to attract third country nationals in the face of stiff competition for skills from other countries such as US, Canada and UK. In addition, intra-European mobility has to be promoted, especially by strengthening interregional placements through the EURES network. On the longer term, the EU must continue facilitating cooperation among member states and particularly between educational and VET providers. We look forward to working on the ALMA programme in particular to providing work placements to recent graduates. The European labour force will need to be equipped with digital skills for this new phase of industrialisation. The EC should accelerate the use of AI technology to identify skills shortages that can fulfil business sectors and regional talent demands while building upon existing national and regional instruments

4. Migration

As part of the future of Europe discussions, we suggest a **better migration system**, allowing for skilled workers to migrate to Europe more easily. EU migration policies should co-exist with national migration schemes in order to allow maximum flexibility for both workers and employers. Furthermore, we see a need for streamlined procedures for those wishing to enter the European labour market. Connecting incoming talents with employers should be made easier through instruments such as the EU Talent Pool, which should prioritise the

needs of SMEs.

5. Digital Transformation

The EU should create a truly digital single market in the EU, where technological development, research, and innovation should be the priority of the digital transformation. The European Union needs to encourage innovation and research, facilitate venture capital and ensure competition. International collaboration in research and innovation has never been so clearly expressed by public opinion. Research and innovation activities need to be upgraded, with a special emphasis on key enabling technologies such as AI. This is the only way forward for Europe to lead the next innovation cycle and is why Research & Innovation related topics should be priority topics to be discussed and deepened during the Conference and beyond. EUROCHAMBRES recommends the [manifesto](#) prepared by a group of stakeholders for the future of research and innovation in Europe intended as a contribution to place R&I at the centre of the debate on EU future challenges and priorities.

Europe also needs a holistic and long-term digital strategy. The Digital Compass provides the foundation for such a strategy and should focus on investments in cutting-edge technologies and critical digital infrastructures (AI, 5G and future 6G networks, quantum computing, etc.). Companies should be supported in the development of innovative data-based business models. Therefore, European regulation anchoring the free flow of data needs to be rigorously applied while maintaining security standards and the principle of personal data protection. Cyber security is and will remain a fundamental issue for European companies that are heavily exposed to cyber risk. Europe must therefore swiftly develop its cyber-resilience and focus on the development of European know-how in the field of cybersecurity a priority for EU funding programmes. To support this, the strategy must focus on the digitalisation of companies, public administration and enhancing digital skills on all levels of education. Upskilling and reskilling the workforce is of particular importance and companies, particularly SMEs need to be encouraged and incentivised to do it. With regard to innovation and the digital transformation, the potential of the creative and cultural industries has to be maximised.

6. Climate change and the environment

Chambers support the EU's efforts to protect the climate and the plan towards a gradual transition to climate neutrality and the need to adapt business to ongoing climate change. **Chambers envision the European Union to be a climate and environment pioneer and a leader in the circular economy, pushing for a comparable ambition at a global level and global carbon-pricing** so that European businesses can compete on an equal footing. In order to avoid carbon leakage, free certificates for industry in the emission trading system are needed until a level playing field has been reached. Another important prerequisite for decarbonising production processes is the availability of affordable renewable and low carbon energy – including hydrogen-based technologies and energy partnerships with other economic areas. Tailored and clear energy transition policies must incentivise investments into these technologies and facilitate related permitting procedures. More EU funding for alternative and transition technologies as well as for associated infrastructure is required to support transport decarbonisation. Plans to introduce mandatory corporate due diligence should not cause or create additional burdens/costs for companies, especially those that are

part of large undertakings' supply chains. The comments made above concerning the upskilling and reskilling of the workforce with regards to digitalisation apply here as well as for green skills. All those efforts will have to be made with a view of maintaining EU economic growth with high environmental and corporate standards, which means taking necessary steps at international level to ensure that these requirements are also met by our main trading partners.

7. EU in the world

European countries must forge closer links with foreign growth centres, resist global decoupling, and place a distinct focus on trade measures benefiting as many companies and particularly SMEs as possible. The EU should agree on effective, unbureaucratic and un-protectionist instruments to mitigate the impact of unfair competition in third countries on European businesses, in particular with regard to unjustified subsidies from foreign companies and other unfair practices.

In particular, the EU should foster stronger cooperation with like-minded partners, such as the US, to advance rules and standards in areas of shared business interest. Africa is also a key area for cooperation. Strong partnerships will have to be ensured with this continent. Additionally, the EU should continue its engagement in bilateral trade agreement negotiations to further intensify trade relations, secure supplies of key raw materials as well as improve market access and certainty for EU businesses while ensuring a more level playing field for its economic operators, including a more balanced economic relationship with China. Strengthening the multilateral rules-based system by reinvigorating the WTO must be a core interest of the EU, as well as a trade strategy that focuses on globally open markets, connectivity (Global Gateway) as well as European economic sovereignty. Here, closer institutional relations with the EU-neighbourhood are necessary, in particular with the UK and Switzerland to avoid regulatory divergence. Pursuing a holistic external trade agenda based on cooperation and European leadership in shaping global trade rules will further consolidate the EU's position as a global economic player and prevent disruptions in the supply chain.

The EU should prepare a reliable enlargement "timetable" (timeframe) and increase its pre-accession support for future Western Balkans member states under the condition of a progress in necessary reform. To prepare for the accession, the EU should support the digitalisation of companies, entrepreneurial knowledge, and training through regional partners, such as Chambers of Commerce and Industry. A more unified European voice in external affairs is crucial to address all of these issues.

8. European Democracy

The principles of better regulation must be implemented throughout the whole legislative lifecycle. A thorough impact assessment preparation for substantive amendments must be a rule in all three institutions – European Commission, European Parliament and Council of the EU. Respecting the Think small first principle should be the rule when regulating at EU level as well as better consultation with the stakeholders, including business representative organisations such as chambers. A changing regulatory environment is extremely burdensome for companies, mainly SMEs, who are recovering from the crisis. EUROCHAMBRES as a signatory of the EU Transparency Register, adheres to every code

of conduct that regulates the policy making process, commits to ethical lobbying practices and proposes the EU institutions to develop future SME tested, evidence-based and transparent policymaking. **Chambers have been supporters of the European project and this is reflected in our participation in many public consultations, working groups, committees and forums of the EU institutions.**

9. Values and rights, rule of law, security

The EU will be strong only if the principles of good governance and the rule of law are firmly embedded in the member states and the EU institutions. Safeguarding the rule of law ensures that our democracies function within a system of countervailing powers, that everyone is equal before the law and that there is legal protection for both individuals and businesses. Reliable rule of law structures in economic life and rule of law behaviour by public authorities are key prerequisites for investment and trade. Therefore, the economic dimension of the rule of law should be given greater consideration as an integral part of the rule of law mechanism.

Further Information: Ms Lina Konstantinopoulou, Tel. +32 2 282 08 90, konstantinopoulou@eurochambres.eu
Press contact: Mrs. Karen Albuquerque, Tel. +32 2 282 08 62, albuquerque@eurochambres.eu
All our positions can be found here: <https://www.eurochambres.eu/newsroom/position-papers/>